



**Asia-Pacific
Economic Cooperation**

2020/CTI-EC/DIA/004

**Report on Opinion Gathered from APEC Business
Advisory Council on Key Elements Promoting a
Competitive Business Environment**

Submitted by: Japan



**Free Trade Area of the Asia-Pacific Policy
Dialogue on Competition Related Provisions
from a Business Perspective
17-18 September 2020**

CTI-EC FTAAP Policy Dialogue on Competition Related Provisions in FTAs/EPAs from a Business Perspective



REPORT ON OPINION GATHERED FROM ABAC
ON KEY ELEMENTS
PROMOTING A COMPETITIVE BUSINESS ENVIRONMENT

UEDA NAKO
DIRECTOR APEC DIVISION, ECONOMIC AFFAIRS BUREAU
MINISTRY OF FOREIGN AFFAIRS, JAPAN

Before start...



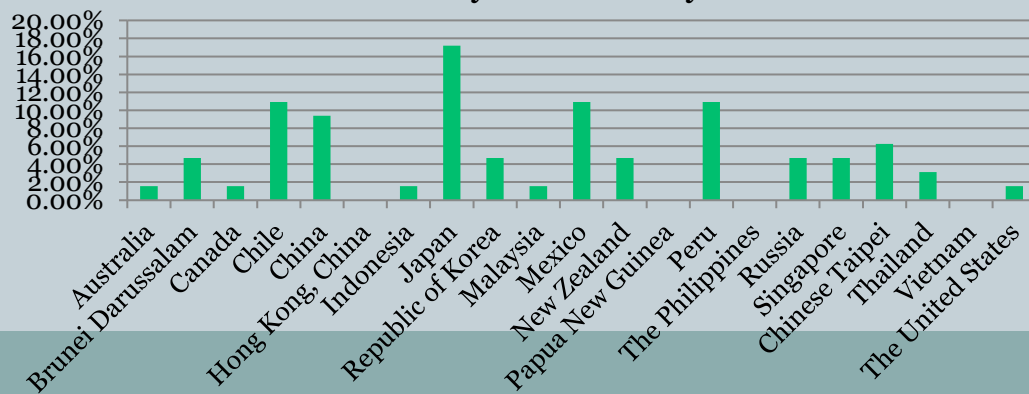
- **Objective of the survey**

- Japan believes that one of the important objectives of FTAs/EPAs is to **enable a business climate by providing a predictable and supportive environment for business and investment.**
- From this perspective, Japan recognises the importance to hear the voices of the business community in terms of how competition policy serves this aspect.

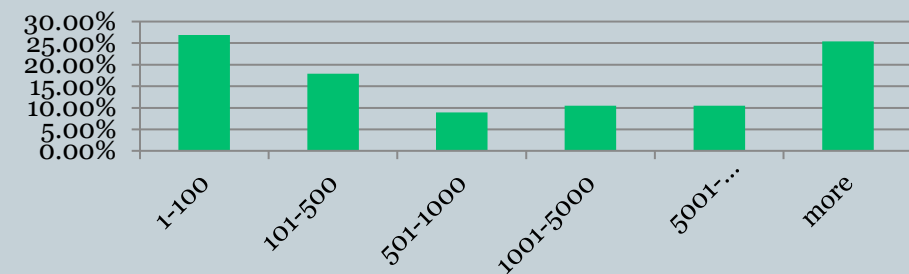
- **Methodology**

- Collaboration with APEC Business Advisory Council (ABAC), who has kindly accepted our request to circulate our questionnaire among members.
- Observations based on 70 answers from various industries in 17 economies.

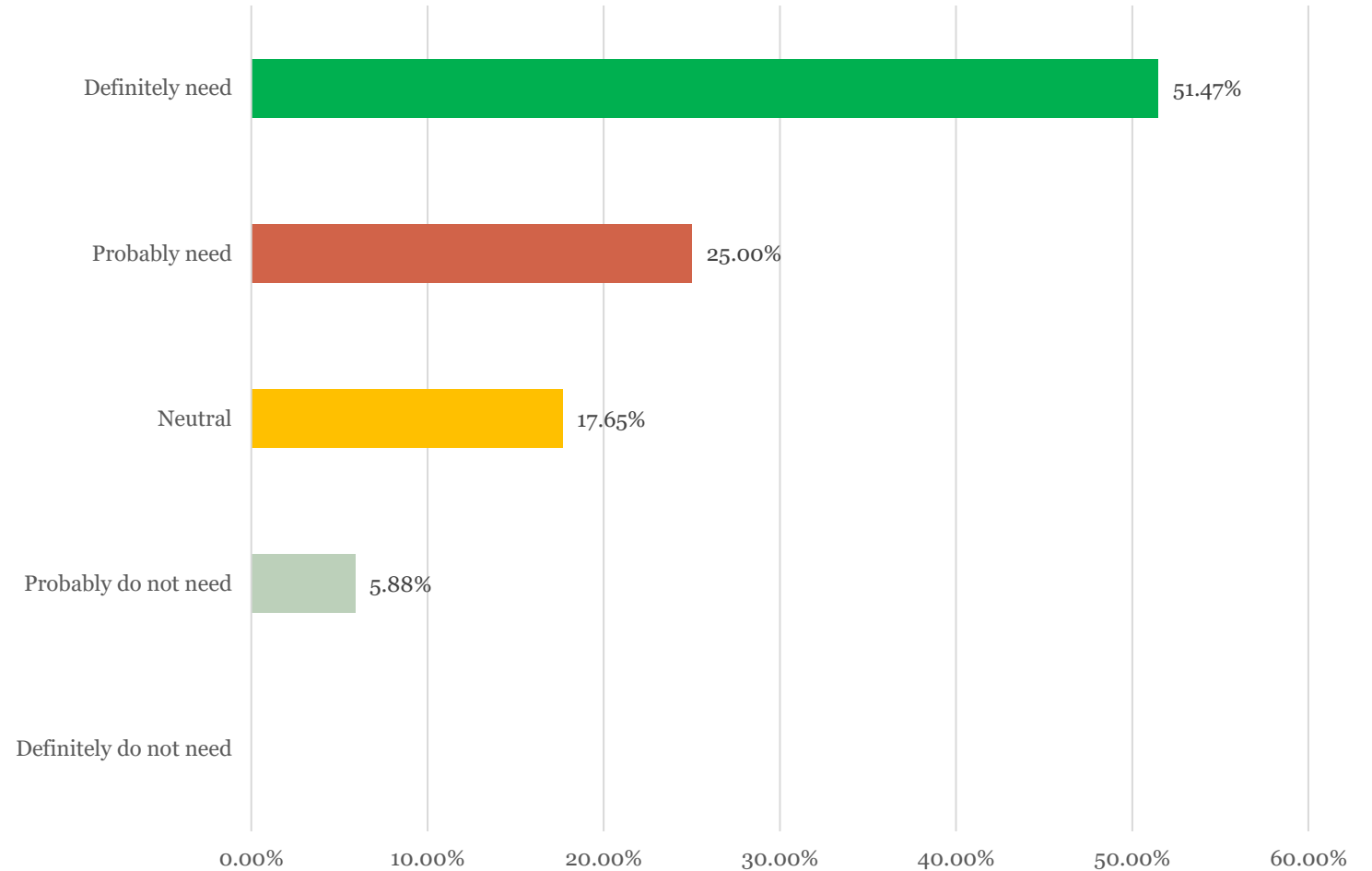
What is your economy?



How many number of employees do you have?

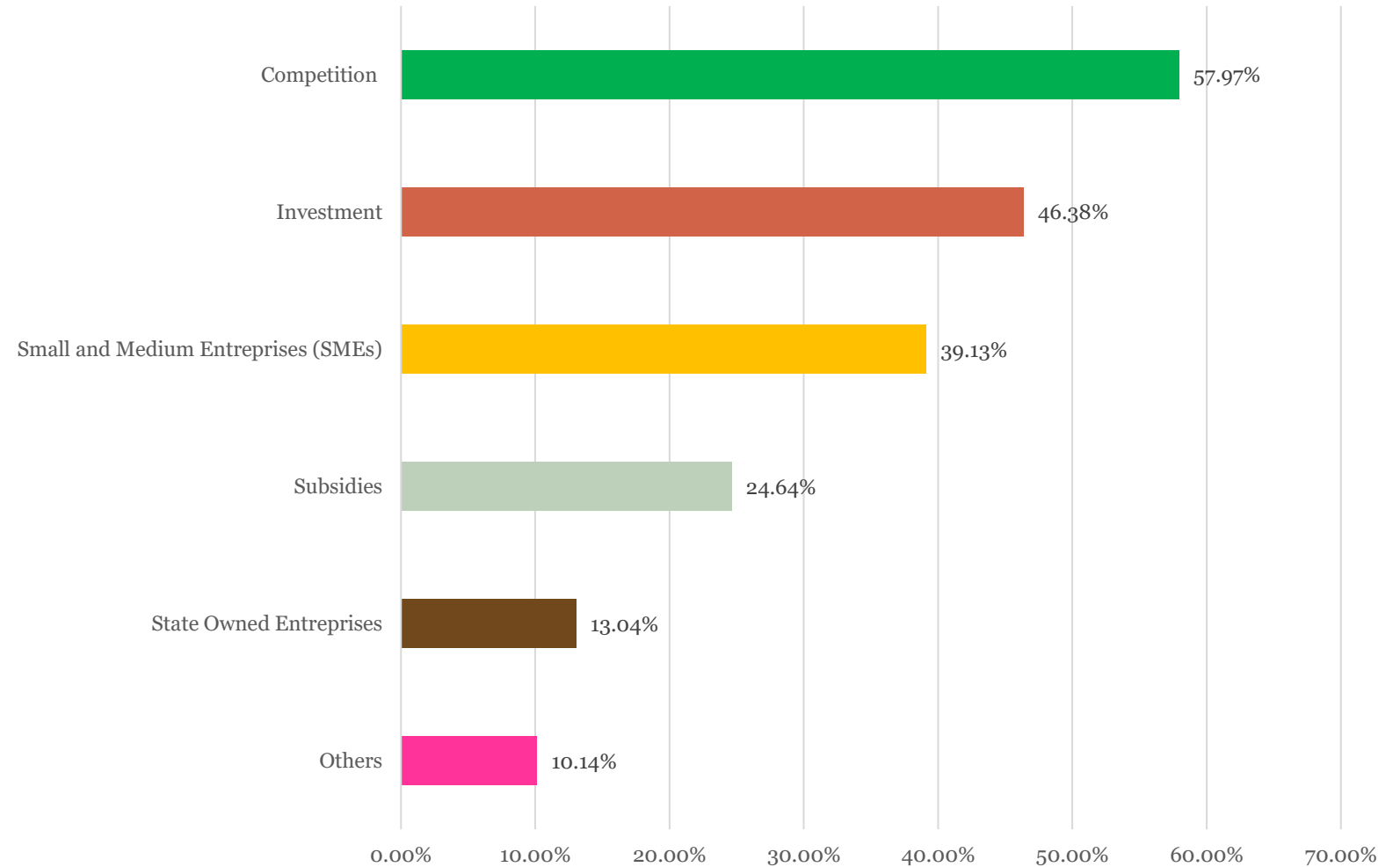


Q1. When you think about competition-related provisions in FTAs/EPAs, do you think of these as something you need or do not need in order to enter a new market?

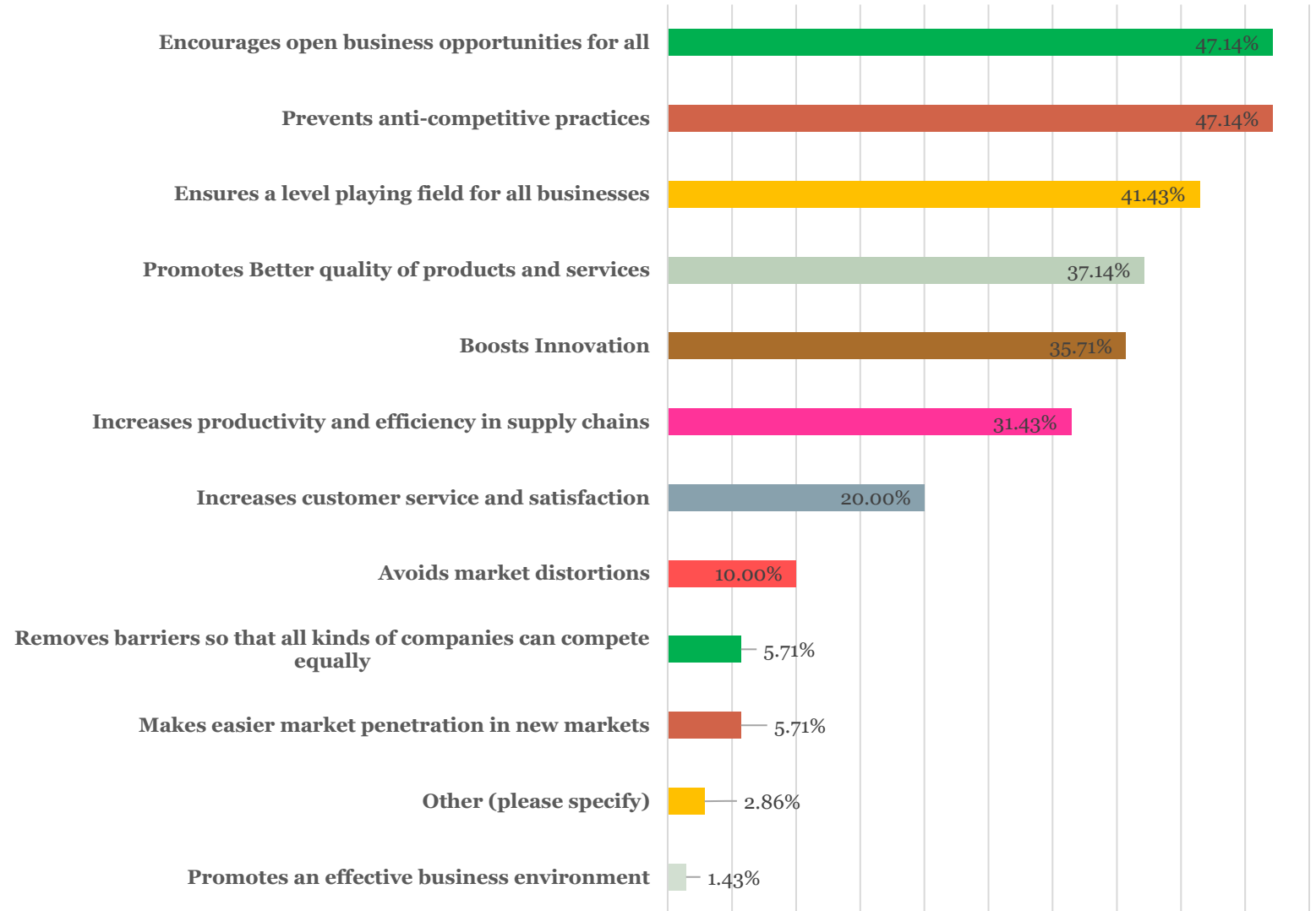


Q2. Which of the following competition-related provisions would benefit most to your business?

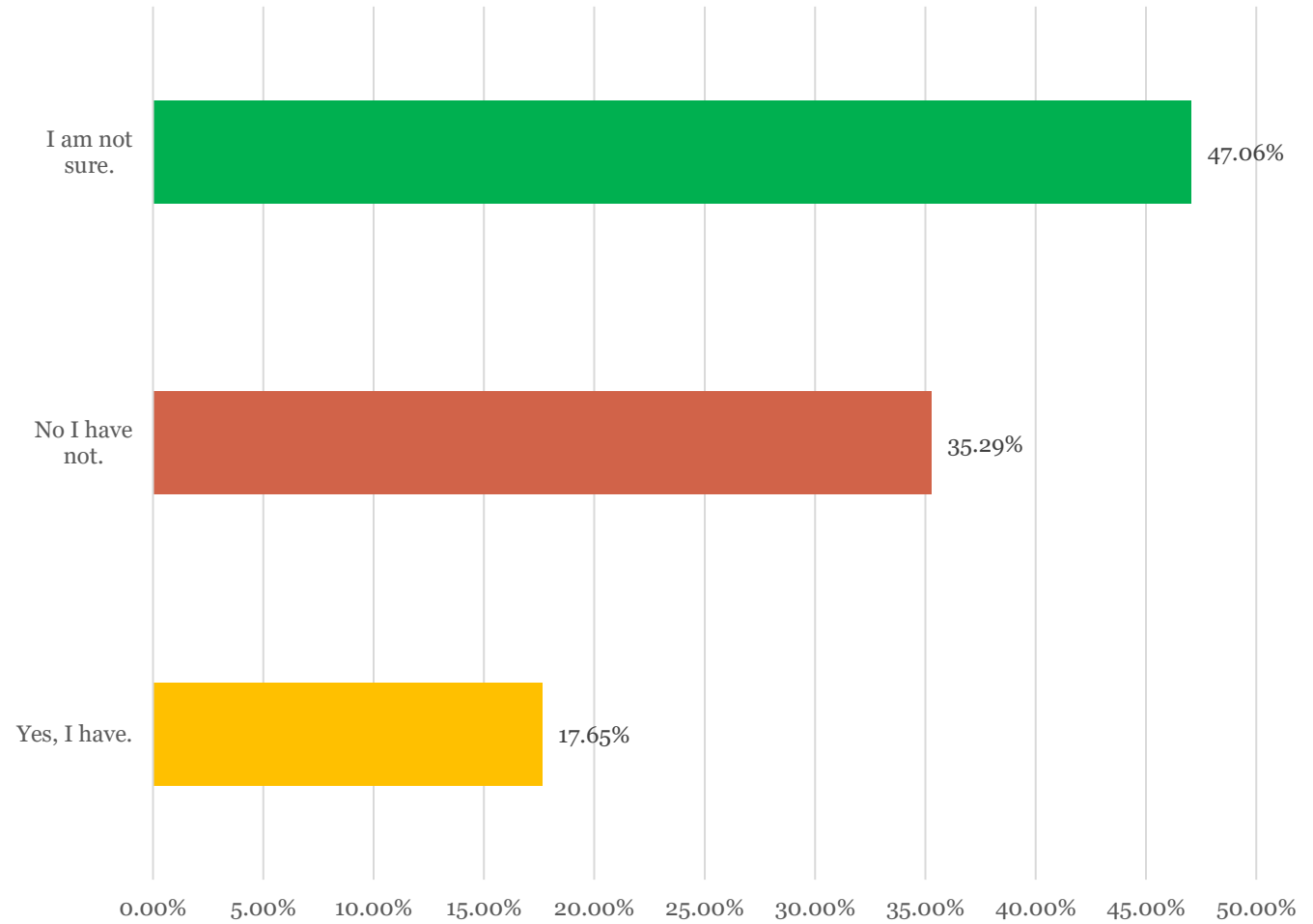
(Note: The elements of "competition related provisions" are derived from the report by J. Navarro, "FTAAP: Competition Policy" and do not necessarily reflect the views of the Government of Japan.)




Q3. Please choose the three most important reasons for you to include a competition-related provisions in FTAs/EPAs.



Q4. Have you ever used FTAs/EPAs that contain a stand-alone competition chapter?






Q5. Would you consider additional elements in FTAs/EPAs which could help ensuring a level-playing field and facilitate trade?

- **Legislative harmonisation** among jurisdictions to facilitate cross-border trade in the **digital economy**;
- Access to **data**;
- Standardised **market access**;
- Gradual elimination of **non-trade barriers**;
- Stronger insurance/commitment to **domestic treatment** (equal treatment between foreign business and local business, including SOEs).
- Leverage or facilities for **MSMEs**;
- Protection of **Intellectual Property**, including capacity building of customs;
- Provide that **special treatment** to trade in green/low carbon/circular products.

etc..



Q6. Considering the impact of COVID-19, what kind of additional elements related to competition policy would be required?

- **Rules to ensure seamless and uninterrupted flow of trade and supply of essential goods and services.**
- **Provisions to ensure level-playing field between local and foreign suppliers on trade and Government Procurement on medical devices.**
- **Some kind of punishment procedures related to unfair practices.**
- **I believe the economic consequences of the COVID-19 pandemic require swift and strong policy actions to keep markets and the economy functioning.**
- **Increased communication tools with authorities given the international travel restrictions.**
- **The magnitude of the effect caused by COVID-19 is not certain at this stage, it is too early to answer to this question.**

etc...

Some observations



- The majority of interviewees believe competition-related provisions in FTAs/EPAs are definitely needed.
- Among competition-related provisions, interviewees benefited most from competition, followed by investment, SM&Es, subsidies and SOE provisions.
(the elements of “competition related-provisions” are derived from the report by J. Navarro, “FTAAP: Competition Policy”.)
- The most important reasons for interviewees to include competition-related provisions is to:
 - encourage open business opportunities for all,
 - prevent anti-competitive practices,
 - ensure a level-playing field for all businesses,
 - promote better quality of products and services,
 - boost innovation,
 - increase productivity and efficiency in supply chains etc...
- However, use of FTAs/EPAs containing a stand-alone competition chapter seems limited.

**Thank you for your
attention!**



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Note: The contents of the presentation do not necessarily reflect the views of the Government of Japan.